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GERMANY

Hotel Market Snapshot

December 2025

 **CHRISTIE & CO**

christie.com

All I want for Christmas...

Hotels are back on investors' buy-list: Germany's leading city markets combine resilient demand, tight new supply and returning liquidity

After an exceptional 2024 lifted by UEFA EURO 2024 fixtures and major concerts, performance in 2025 has stabilised rather than continued to surge. By YTD October, RevPAR is down c. 1.1% nationwide and c. 2.6% across the Top-7, largely rate-driven, with significant variation between cities. Even so, underlying tourism demand across Germany's major city markets remains resilient, providing a firm base – and when economic momentum returns, the boost to business travel and discretionary leisure should be twofold.

From an investment perspective, hotels have resurfaced among the most attractive real-estate asset classes. Germany's hotel transaction volume more than doubled in Q1-Q3 2025 YoY, led by large single-asset benchmarks and renewed institutional appetite; around 45% of activity was concentrated in Berlin, Hamburg and Munich. With financing conditions stabilised and the rate cycle maturing, pricing expectations are converging, improving price discovery and execution. Prime yields are broadly stable, with selective compression on trophy assets – supporting liquidity and underwriting confidence. Hotels offer compelling risk-adjusted returns and diversification benefits to real-estate portfolios.

Looking ahead, we are optimistic about the year 2026: a strong events/trade-fair pipeline, ongoing recovery in international travel, and converging pricing expectations position the Top-7 for the next phase – albeit with management focus on costs, staffing and mix optimisation.

To provide you with guidance for capital deployment and asset strategy, this publication introduces Christie & Co's proprietary Competitive Intensity Index – a new supply-side composite score that quantifies competitive pressure across the Top-7 city markets – Berlin, Munich, Hamburg, Frankfurt, Cologne, Düsseldorf and Stuttgart. We hope you find it valuable in drawing distinctive nuances for your investments across these 7 major cities.



Hannes Schied
Head of Consultancy Hotels Germany



Alexander Apitzsch
Senior Consultant Advisory & Valuation Services

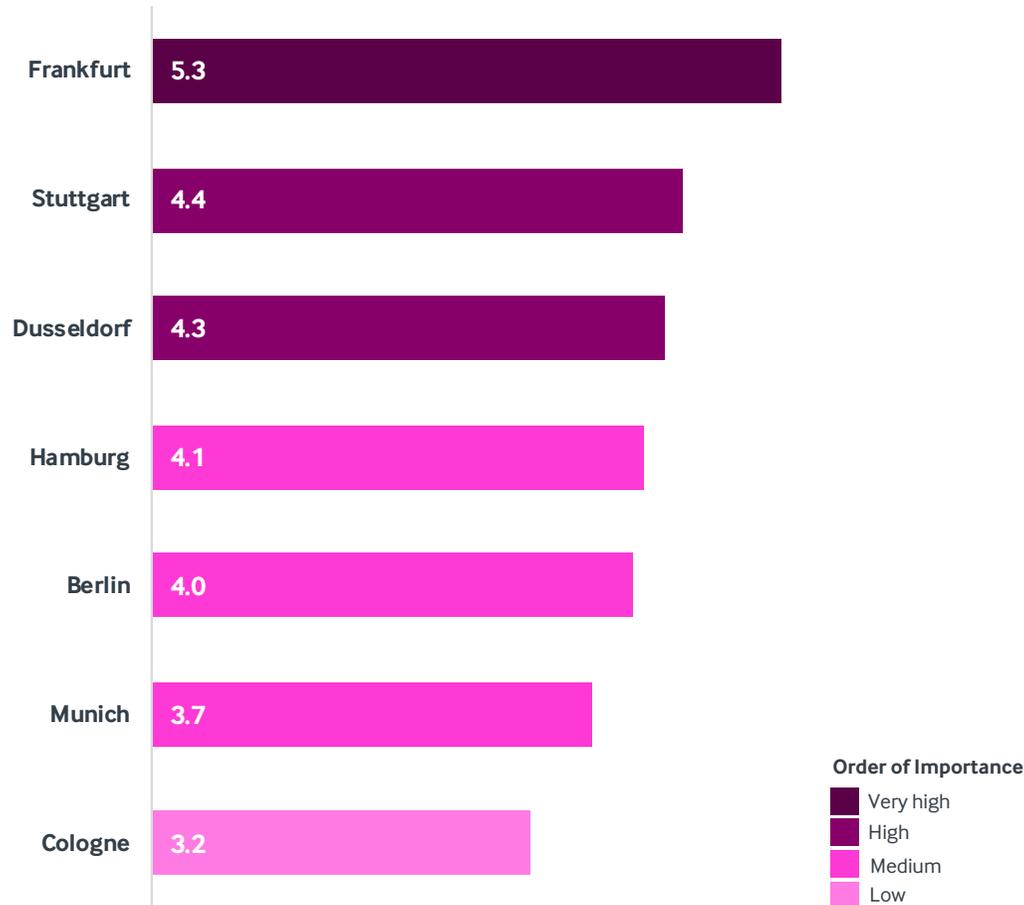
“Hotels are firmly back on investors' shopping lists: clearer pricing, stronger international bids, a consolidating operator landscape - all this creates actionable entry points and significant upside in prime locations.”

Lukas Hochedlinger MRICS
Managing Director
Central & Northern Europe

Sources: MSCI Real Capital Analytics, Christie & Co Analysis

Competitive Intensity Index

Competitive Intensity Index



Competitive Intensity Index – What Does It Show?

Christie & Co developed this index to show where competition among hotel operators is most intense across Germany's Top-7 cities. It focuses on the supply side, combining key structural factors such as: hotel density, brand penetration, average property size, market concentration and future pipeline into one clear benchmark.

How to interpret:

- 1.0 = national average
- Higher values indicate stronger competition
- Lower values indicate a less competitive environment

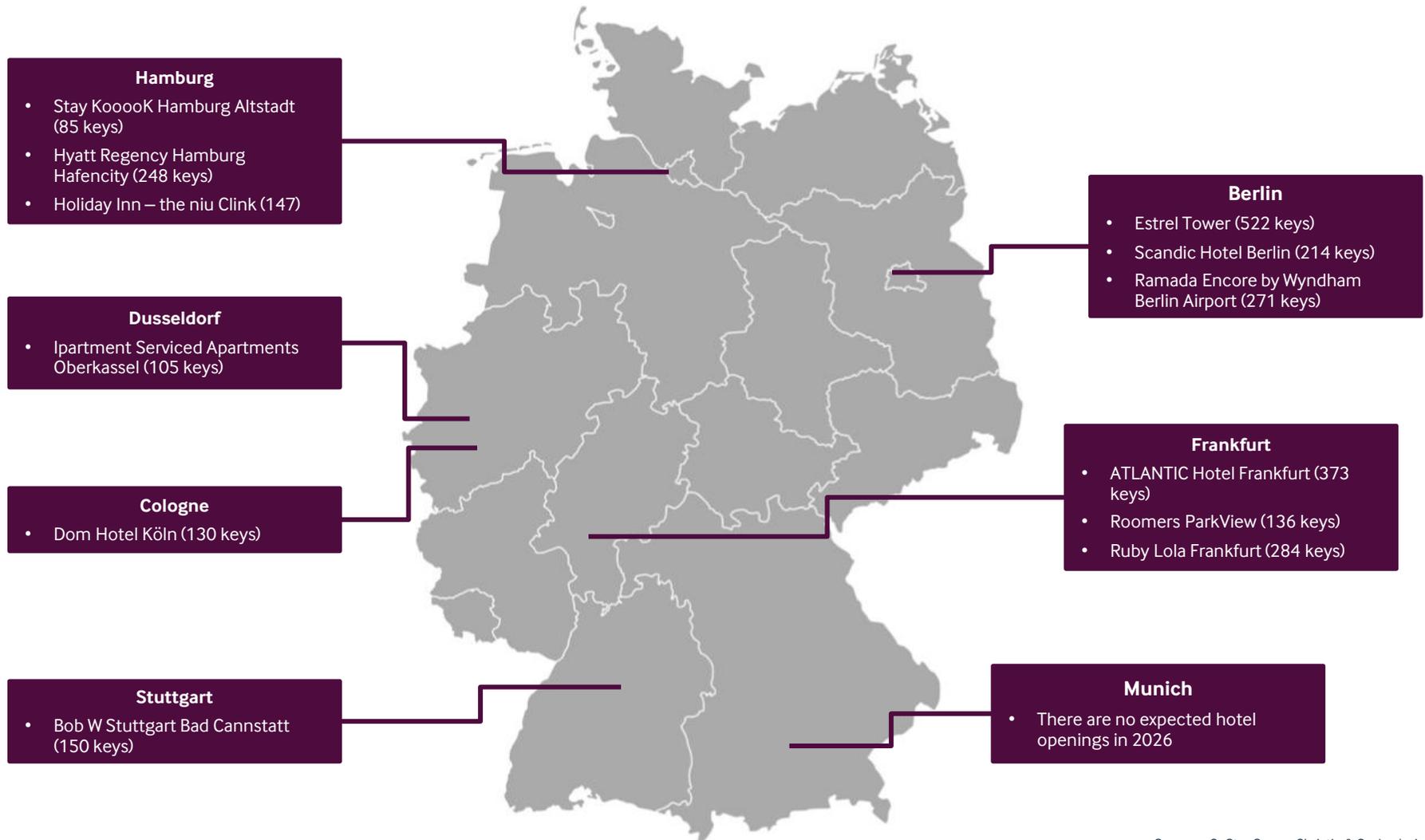
This index helps investors and operators identify markets with the greatest pressure and future development risk – essential for strategic decisions on investment and positioning.

Takeaways

- Frankfurt leads the ranking, with the strongest competitive pressure driven by high brand penetration, large average property size and dense supply.
- Stuttgart and Dusseldorf show elevated intensity, reflecting strong brand presence; Stuttgart stands out for high operator concentration, Dusseldorf for a denser supply.
- Hamburg, Berlin and Munich all face medium competition index levels, with Hamburg and Berlin showing lower hotel density despite having comparatively large pipelines, and Munich moderated by a very small pipeline and lower brand penetration.
- Cologne experiences the least competition among the biggest German cities, due to low density, limited pipeline and smaller average property size.

Sources: Christie & Co Analysis

Exciting New Openings in 2026



Sources: CoStar Group, Christie & Co Analysis

Berlin

Competitive Intensity Index: 4.0

Germany's largest hotel market and one of its most active investment hubs

Berlin is Germany's largest city and political centre, combining strong governmental influence with a vibrant cultural and business environment. It remains a leading European hub for media, technology and MICE events, attracting both leisure and corporate demand. After 25 million overnight stays in 2024, demand softened in 2025 (YTD -2.9%), with ADR and RevPAR down 6.1% and 5.3%, respectively, while occupancy edged up (+0.7 pts). Supply is consolidating with a moderate pipeline of approximately 3,600 rooms (c. 5.3% of stock). With competitive intensity at 4.03 and Berlin ranking as one of Germany's most liquid hotel investment markets, resilient demand drivers and strong long-term fundamentals position the city as an investment hotspot for institutional, private as well as international capital.

City Profile

Inhabitants



c. 3.7 million (2024)

Airport Passengers



+1.9% (2025 YTD Oct YoY)

Top Companies



Deutsche Bahn AG, Zalando SE, Delivery Hero SE, Charité

Major industries



Healthcare, Media, Energy, Transport & Mobility

Tourist attractions



Brandenburger Tor, Reichstag, Berlin Wall, Berlin TV Tower, Museum Island

Governmental Center



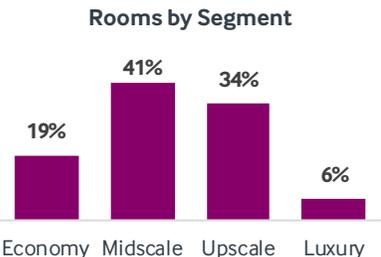
Seat of the German Federal Government and Parliament

Supply




Hotels		Rooms	
-3.3%	2025 YTD Aug YoY	-2.0%	
533	YTD Aug 2025	66,776	
550	2024	68,155	
546	2023	66,645	

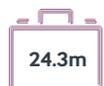
Rooms by Segment



Demand

Overnights
2025 YTD Aug YoY: -2.9%

42% International Overnights



24.3m

2023



25.0m

2024



16.0m

YTD Aug 2025

Performance

ADR	-6.1%
OCC	YTD Oct 2025 (YoY Change) +0.7 pts.
RevPAR	-5.3%

Seasonality 2024 (rooms sold)



Hotel Investment Market

In 2025, Berlin stood out for its transaction volume and for signaling a structural shift in investor sentiment. Year-to-date, transactions across hotel assets total approximately €350 million, representing around 1,900 keys at an average price per key of €184,000. Major deals included the Steigenberger Hotel am Kanzleramt, acquired by PGIM, and the IntercityHotel Berlin Hauptbahnhof purchased by Invesco Real Estate for an institutional mandate. These transactions underline Berlin's role as the primary gateway for core investments in Germany's hospitality sector.



Sources: Amt für Statistik Berlin-Brandenburg, CoStar Group, MSCI Real Capital Analytics, Christie & Co Analysis

Hamburg

Competitive Intensity Index: 4.1

A dynamic hotel market with robust demand growth and active investment activity

Hamburg is Germany's second-largest city and a major gateway to the world thanks to its prominent container harbour. As one of the country's most important economic hubs, Hamburg hosts numerous multinational companies, particularly in the logistics sector. In addition, Hamburg is a renowned destination for congresses, trade fairs, and musicals. The city features a balanced demand profile between business and leisure tourism, supported by strong cultural offerings and cruise traffic. Hamburg is considered one of Germany's most dynamic and best-performing hotel markets, ranking third nationwide in RevPAR after Rostock and Munich. Hotel demand has grown strongly in recent years, with a YoY increase of around 2.5% YTD Aug 2025, while room supply grew by 2.2%. Currently, the pipeline comprises 17 projects in the final planning phase or under construction, adding approximately 2,900 rooms.

City Profile

Inhabitants



c. 1.9 million (2024)

Airport Passengers



-1.1% (2025 YTD Oct YoY)

Top Companies



Airbus Operations GmbH, Asklepios Kliniken Hamburg GmbH, Lufthansa AG

Major industries



Maritime, Aviation, Media, Renewable Energy, Hospitality

Tourist attractions



Reeperbahn, Elbphilharmonie, Miniatur Wunderland, Speicherstadt

Port of Hamburg



Third-largest container port in Europe

Supply




Hotels		Rooms	
+1.2%	2025 YTD Aug YoY	+2.2%	
350	YTD Aug 2025	70,815	
348	2024	38,609	
342	2023	37,737	

Rooms by Segment

Segment	Percentage
Economy	23%
Midscale	38%
Upscale	33%
Luxury	7%

Demand

Overnights

2025 YTD Aug YoY: +2.5%

23% International Overnights



14.4m

2023



14.5m

2024



9.8m

YTD Aug 2025

Performance

ADR	-4.9%
OCC	YTD Oct 2025 (YoY Change) +0.8 ppts.
RevPAR	-3.9%

Seasonality 2024 (rooms sold)



Hotel Investment Market

Hamburg has seen moderate but noteworthy investment activity in 2025, particularly in the first quarter. Year-to-date, three transactions have been recorded, totaling approximately €100 million and covering around 490 keys, resulting in an average price per key of €208,000. Notable deals include the Adina Apartment Hotel Speicherstadt, acquired by institutional investor PGIM Real Estate, and the Ibis/Ibis Budget Hamburg City, purchased by AccorInvest.



Sources: Statistisches Amt für Hamburg und Schleswig-Holstein, CoStar Group, MSCI Real Capital Analytics, Christie & Co Analysis

Munich

Competitive Intensity Index: 3.7

Germany's best-performing hotel market experiences strong investor demand

Munich stands out as Germany's best-performing hotel market, supported by its role as one of Europe's strongest economic hubs, driven by automotive, finance and technology industries. Its global reputation, cultural appeal and events such as Oktoberfest make it a top destination for leisure and business travel. After 18.3m overnight stays in 2024, demand eased in 2025, with YTD figures at 11.7m, down 1.7% YoY. Despite this, performance remains exceptional: ADR and RevPAR grew by 3.6% and 6.4%, respectively, while occupancy rose by 1.9 ppts, confirming Munich as Germany's best-performing hotel market. Competitive intensity is relatively low (3.68), yet practical entry barriers remain high due to limited product availability and strong investor demand. Munich offers resilient, low volatile income streams and long-term value stability, making it a core destination for institutional capital.

City Profile

Inhabitants



c. 1.5 million (2024)

Airport Passengers



+4.5% (2025 YTD Oct YoY)

Top Companies



BMW AG, Siemens AG, Allianz SE, Munich Re, Infineon Technologies AG

Major industries



Automotive, Finance & Insurance, Life Science, ICT & High-Tech

Tourist attractions



Marienplatz, Englischer Garten, Frauenkirche, Nymphenburg Palace

Oktoberfest



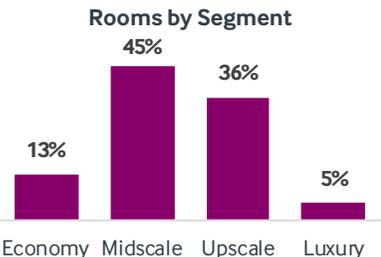
The World's Largest Folk Festival - "Wiesn"

Supply




Hotels		Rooms	
-1.4%	2025 YTD Aug YoY	0.5%	
417	YTD Aug 2025	51,088	
422	2024	50,693	
426	2023	50,371	

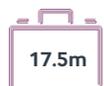
Rooms by Segment



Demand

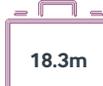
Overnights
2025 YTD Aug YoY : -1.7%

45% International Overnights



17.5m

2023



18.3m

2024



11.7m

YTD Aug 2025

Performance

ADR	+3.6%
OCC	YTD Oct 2025 (YoY Change) +1.9 ppts.
RevPAR	+6.4%

Seasonality 2024 (rooms sold)



Hotel Investment Market

Munich has been the most active hotel investment market in Germany in 2025, recording the highest transaction volume among the Top-7 cities. Year-to-date, approximately €460 million in hotel assets has been transacted, representing c. 1,150 keys and an average price per key of €400,000. This strong performance was driven by several high-profile transactions, most notably the sale of the Mandarin Oriental Munich for around €150 million to Eagle Hills from Abu Dhabi – a trophy asset deal that attracted global attention and underlines the city's appeal for international capital.



Sources: Bayerische Landesamt für Statistik, CoStar Group, MSCI Real Capital Analytics, Christie & Co Analysis

Cologne

Competitive Intensity Index: 3.2

An event-driven hotel market with selective investment opportunities

Cologne is Germany's media and communications hub and home to the country's largest carnival, attracting millions of visitors each year. Its strategic location on the Rhine and strong logistics sector complement a vibrant leisure and business market. Demand held firm in 2025 (+0.2% YTD), while performance indicators improved slightly (OCC +0.6 Ppts., ADR +1.1%, RevPAR +1.7%). Supply remains stable, and the pipeline is minimal (c. 1.5% of stock), which reduces the risk of oversupply. With the lowest competitive intensity among the Top-7 (3.17), Cologne offers a less crowded market environment, but also lower liquidity compared to cities such as Berlin, Hamburg or Munich. For investors, this is a more selective play: opportunities lie in well-located assets that can capitalise on event-driven peaks and maximise income streams.

City Profile

Inhabitants



c. 1.1 million
(2024)

Airport Passengers



+0.4%
(2025 YTD Oct YoY)

Top Companies



Ford Europe, REWE Group, RTL Group, AXA Insurance, Lanxess AG

Major industries



Media & Creative Industries, Chemicals & Pharmaceuticals, Finance

Tourist attractions



Cologne Cathedral, Old Town & Rhine Promenade, Museum Ludwig

Media Hub



Germany's Leading Media Hub

Supply



Hotels

+1.3%

2025 YTD
Aug YoY

Rooms

+0.2%

232

YTD Aug
2025

20,117

231

2024

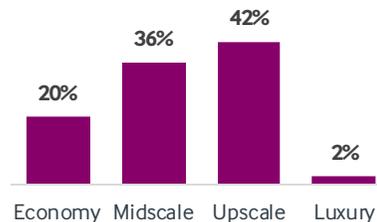
20,069

237

2023

19,429

Rooms by Segment



Demand

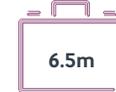
Overnights

2025 YTD Aug YoY: +0.2%

36% International Overnights



2023



2024



YTD Aug
2025

Performance

ADR

+1.1%

OCC

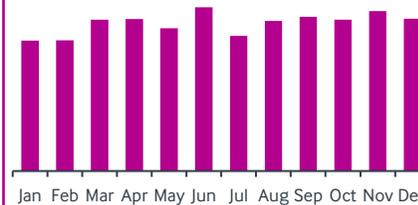
YTD Oct 2025
(YoY Change)

+0.6 ppts.

RevPAR

+1.9%

Seasonality 2024 (rooms sold)



Hotel Investment Market

Cologne has been among the most active hotel investment markets in Germany in 2025. Year-to-date, approximately €130 million has been invested across hotel assets, representing around 600 keys and an average price per key of €220,000. One of the most significant transactions was the sale of the Pullman Hotel Cologne for around €66 million to Pandox, underlining investor appetite for well-located, full-service properties in Germany's fourth-largest city. Overall, Cologne is expected to maintain its position as an attractive, albeit more selective, investment hotspot.



Sources: Statistisches Landesamt NRW, CoStar Group, MSCI Real Capital Analytics, Christie & Co Analysis

Frankfurt

Competitive Intensity Index: 5.3

Institutional core market with high competition and strong business demand

Frankfurt is Germany's financial centre and a major international gateway, hosting the country's busiest airport and leading trade fairs. The market is heavily corporate-driven, with demand anchored in banking, professional services and aviation sectors. Despite these strong fundamentals, 2025 shows performance pressure (OCC +0.1 pts., ADR -2.9%, RevPAR -2.8%). The pipeline is moderate (c. 4.2% of stock), but competitive intensity is the highest among Top-7 (5.28), reflecting an intense and highly professional landscape of operators. Amid the Top-7's highest competitive intensity and a notably illiquid 2025 transaction market, the investable angle is concentrated on value-add and conversion plays in prime CBD/airport submarkets, underpinned by Frankfurt's role as Germany's financial hub and global gateway.

City Profile

Inhabitants



c. 0.8 million (2024)

Airport Passengers



+2.3% (2025 YTD Oct YoY)

Top Companies



Deutsche Bank AG, Commerzbank AG, European Central Bank, Lufthansa Group

Major industries



Financial Services & Banking, Logistics, IT & Telecommunications

Tourist attractions



Römerberg, Städel Museum, Main Tower, Goethe House

Financial Center Frankfurt



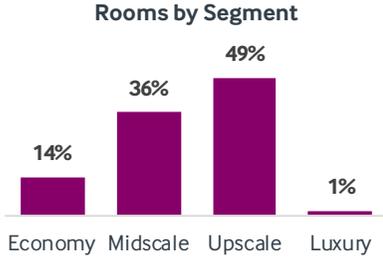
Europe's Financial Capital

Supply




Hotels		Rooms	
-1.9%	2025 YTD Aug YoY	-0.8%	
255	YTD Aug 2025	33,602	
259	2024	33,565	
257	2023	33,303	

Rooms by Segment



Demand

Overnights
2025 YTD Aug YoY : -1.2%

40% International Overnights

9.6m
2023

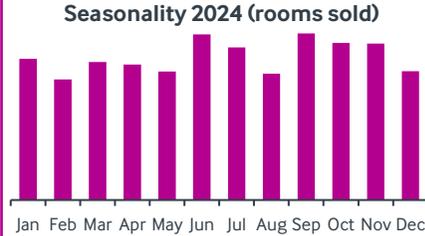
10.4m
2024

6.7m
YTD Aug 2025

Performance

ADR	-2.9%
OCC	YTD Oct 2025 (YoY Change) +0.1 pts.
RevPAR	-2.8%

Seasonality 2024 (rooms sold)



Hotel Investment Market

Frankfurt's hotel investment market has been extremely quiet in 2025. No transactions were recorded in the first half of the year, and overall volume remains below €20 million, driven exclusively by small-scale deals. The lack of liquidity reflects both limited product availability and cautious investor sentiment in a market heavily reliant on corporate and trade fair demand. Activity is expected to remain subdued in the short term, with opportunities primarily in value-add strategies and conversion projects, as core assets are scarce and investor focus remains selective.



Sources: Hessisches Statistisches Landesamt, CoStar Group, MSCI Real Capital Analytics, Christie & Co Recherche

Dusseldorf

Competitive Intensity Index: 4.3

Corporate- and fashion-led gateway with mid-range competition and selective investment opportunities

Dusseldorf is the economic heart of the Rhine-Ruhr region and Germany’s fashion capital, hosting major international brands. Demand is strongly business-oriented, complemented by leisure attractions such as the Königsallee. After 5.4m overnight stays in 2024, demand softened in 2025, with YTD figures at 3.4m, down 2.0% YoY. Performance indicators are under considerable pressure, with ADR and RevPAR falling by 7.1% and 6.0%, while occupancy edged up marginally by 0.7 ppts. Supply grew slightly to 203 hotels and 19,804 rooms. The pipeline is minimal (c. 1.4% of stock), and competitive intensity is mid-range (4.31). Investment activity has been subdued, creating opportunities for repositioning plays in underperforming assets. For investors, Dusseldorf offers a market with moderate competition and potential upside through operational improvements.

City Profile

Inhabitants



c. 0.6 million (2024)

Airport Passengers



+4.7% (2025 YTD Oct YoY)

Top Companies



Henkel AG & Co. KGaA, Rheinmetall AG, Vodafone Germany, ERGO Group AG

Major industries



Fashion & Lifestyle, Manufacturing & Engineering, Media & Advertising

Tourist attractions



Königsallee, Rhine Tower, MedienHafen, Benrath Palace

Fashion Capital of Germany



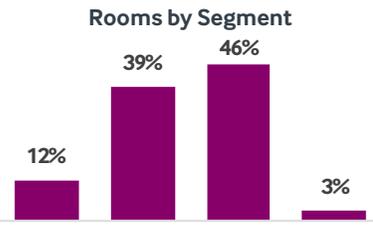
Germany's largest fashion trade fairs

Supply




Hotels		Rooms	
+1.5%	2025 YTD Aug YoY	+1.2%	
203	YTD Aug 2025	19,804	
201	2024	19,492	
204	2023	19,484	

Rooms by Segment



Demand

Overnights
2025 YTD Aug YoY : -2.0%
38% International Overnights

5.2m
2023

5.4m
2024

3.4m
YTD Aug 2025

Performance

ADR	-7.1%
OCC	YTD Oct 2025 (YoY Change) +0.7 ppts.
RevPAR	-6.0%

Seasonality 2024 (rooms sold)



Hotel Investment Market

Investment activity in Düsseldorf remains subdued versus the other Top-7 markets, with year-to-date 2025 transaction volume still below €20 million. Two notable deals occurred in 2024: Ibis Budget Düsseldorf Airport and Ibis Budget Hilden were sold as part of AccorInvest’s portfolio transaction to BC Partners Real Estate and Hova Hospitality. The wider portfolio comprised 30 hotels (c. 2,308 rooms) across Germany and will be operated by B&B HOTELS under long-term leases. For the two Düsseldorf assets, the price per key averaged c. €39,000, roughly 6% below the overall portfolio average.



Sources: Statistisches Landesamt NRW, CoStar Group, MSCI Real Capital Analytics, Christie & Co Analysis

Stuttgart

Competitive Intensity Index: 4.4

Automotive hub with mid-high competition and subdued deal flow

Stuttgart, the cradle of Germany's automotive industry, is a key corporate hub with a strong economic base in manufacturing and engineering. Despite its solid business base, the hotel market faces headwinds: YTD overnights fell by 2.7%, and RevPAR dropped by 10.4% – the sharpest decline among the Top-7 cities – mainly driven by an 8.7% fall in ADR. Supply contracted slightly to 141 hotels and 12,485 rooms, and the pipeline remains moderate with c. 575 rooms (around 4.6% of current capacity). Competitive intensity ranks mid-high (4.44) among the Top-7 cities. For investors, Stuttgart's comparatively low barriers to entry favour buy-low, value-add strategies centred on operational optimisation and further corporate demand recovery.

City Profile

Inhabitants



c. 0.6 million
(2024)

Airport Passengers



+4.6%
(2025 YTD Oct YoY)

Top Companies



Mercedes-Benz Group AG, Porsche AG, Robert Bosch GmbH, Mahle GmbH

Major industries



Automotive, Engineering & Manufacturing, Aerospace

Tourist attractions



Mercedes-Benz Museum, Porsche Museum, Staatsgalerie Stuttgart

Cradle of the Automobile



Birthplace of the car and home to Mercedes-Benz and Porsche

Supply



Hotels

-1.4%

2025 YTD
Aug YoY

Rooms

+0.2%

141

YTD Aug
2025

12,510

143

2024

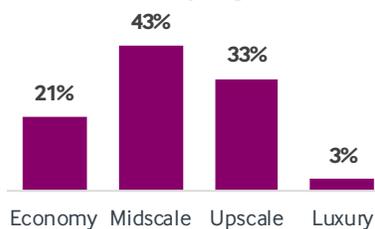
12,484

142

2023

12,346

Rooms by Segment

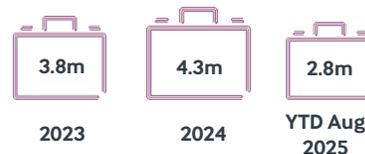


Demand

Overnights

2025 YTD Aug YoY : -2.7%

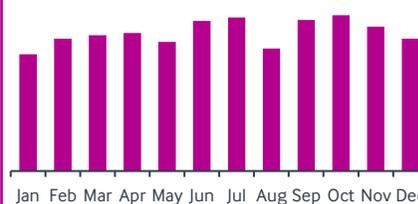
30% International Overnights



Performance



Seasonality 2024 (rooms sold)



Hotel Investment Market

Stuttgart's hotel investment market ranks as the weakest among Germany's Top-7 cities in 2025. Year-to-date, transaction volume remains below €20 million, reflecting cautious sentiment among investors. No major institutional deals have been recorded, and activity is limited to smaller transactions, underscoring the scarcity of investment-capable assets. While Stuttgart benefits from strong corporate demand and several events, investor focus has shifted toward value-add opportunities rather than prime investments. In 2025 the investment market was characterized by minimal liquidity and subdued deal flow.



Sources: Statistisches Landesamt Baden-Württemberg, CoStar Group, MSCI Real Capital Analytics, Christie & Co Recherche



Christie & Co was founded 90 years ago, and as part of the Christie Group plc, is publicly listed on the London Stock Exchange Alternative Investment Market (AIM).

About Christie & Co

Your partner in brokerage, valuation, consultancy and strategic hotel projects

We are the leading valuers, consultants and brokers across the UK and Europe in our specialist sectors and have more than 300 professionals across 22 offices.

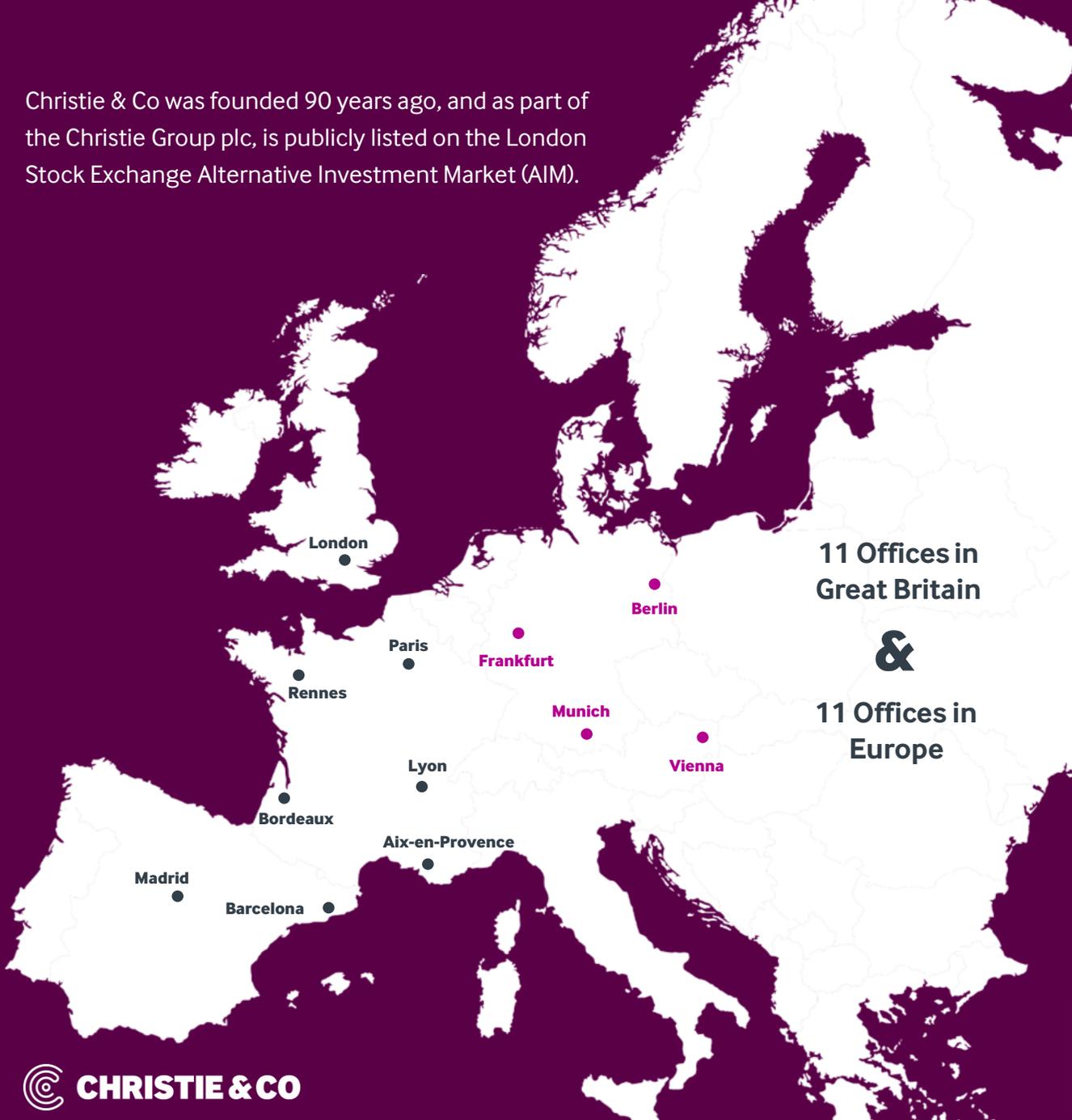
We act on behalf of:

- Local and International Developers
- Private Equity, Institutional Funds, Family Offices, HNWIs and Private Owners
- Regional and International Brands and Operators
- Domestic and International Banks and Debt Funds

We have more than 450 hotel sale instructions across the UK and Europe and carried out c. 280 hotel valuations in 2024 worth c. €3.9bn. Our Consultancy teams advised on assets worth c. €3.2bn.

Headquartered in London, we have 22 offices across Europe, including Berlin, Frankfurt, Munich, Vienna, Paris, Barcelona and Madrid.

Our knowledge of the European and UK hotel market is unparalleled, thanks to the largest hospitality team across our extensive network of offices.



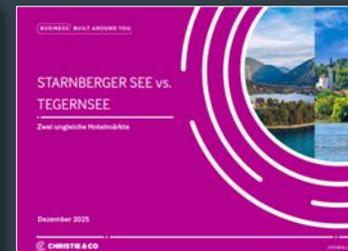
11 Offices in Great Britain



11 Offices in Europe

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Investors, operators, developers and lenders require reliable information to make well-informed decisions and identify opportunities at an early stage. Our industry and market publications deliver precisely that: in-depth analysis, up-to-date market data and strategic insights tailored to the specific needs of our clients.



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